either by the letters that we filed with our

carrier to carrier reports each month when we

file them or we put them on the Board's issue

list stating that we were having difficulty in

implementing this one particular measure.

            This measure, just if we might

take a moment on it, this measure required us

gathering data that was just - - that did not

exist. At the time of the Board Order, we

thought that we had the ability - - we thought we

had the data which would give us the information

to accurately report this and as the process went

on in our teams of people out in the operations

began to review what they would need to do - - to

get this data, it was then that they discovered

data that we thought we had, we really don't

have.

            It is not the right data. And we

now must go and build something to capture that

data, and that's why it is still under

development.

      Q   And that measures the percent of

- - LSR present due to Verizon's error.

            Is that correct?

Q   And now, notwithstanding your

earlier testimony that any change to the

guidelines requires Board approval, you've

effectively changed the guidelines by delaying

implementation until November, right, without

Board approval?

A   (DeVito) I do not change the

guidelines. I did not implement that one measure

by the time that we were supposed to implement

it.

Q   That is not a change to the

guidelines in your mind?

A   (DeVito) It's not.

Q   So you could place other metrics

as under review or under development and that

wouldn't be a change in the guidelines in your

mind?

A   (DeVito) No, it's not a change to

the guidelines. It is maybe something we didn't

do in the appropriate time. We do have one left,

it is unfortunate that, you know, we didn't

realize at the time that we received the original

Board order that the data was not available.

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realize at the time that we received the original

Board order that the data was not available.

It's - - you know, I have to say it is kind of

others. It seems consistent with standards that

have been set in other proceedings. I can't tell

you how it ended up where it did.

      Q   Well, if Verizon is passing that

standard by a lot, have you gone back and seen

whether or not that report is accurate?

      A   (Canny) We validated the

integrity of our data as part of our quality

assurance. Whether it's a hit or a miss has

nothing to do with it.

      Q   Well, let's talk about the quality

assurance that you have done a little bit. Do

you oversee that?

      A   (Canny) I do not. It is by

another executive director in the same

organization I report to. We work very closely.

      Q   Now the last time all the metrics

underwent a full quality assurance was in October

2000, correct?

      A   (DeVito) Yes.

      Q   There has been nothing further

since then?

      A   (DeVito) By our Quality Assurance

team?

do all metrics fit into either one or the other

category?

        A   (Canny) Yes.

        Q   You have a list someplace that

shows which metrics are reviewed monthly?

        A   (DeVito) I'm sure there's a

schedule in the organization for it.

                MR. PAPPALARDO: Can I make a

        transcript request just for that schedule,

        President Hughes?

                PRESIDENT HUGHES: Yes.

                MR. COHEN: That's fine, President

        Hughes.

        Q   Now, the CLECs don't know which

ones get a quarterly review and which ones get an

annual review, do they?

        A   (DeVito) No.

        Q   You haven't done a full validation

of the study since October 2000, right?

        A   (Canny) That's correct.

        A   (DeVito) No, we have not done a

full ---

        A   (Canny) Yes.

        Q   Now, prior to the change control

A.   (Canny)   Yes.

Q   So there are still some metrics

that data is incorrect on in all the Verizon

states?

A   (Canny)   I would say there are

issues, some of which may not be necessarily

significant in our jurisdictions.   For example,

OR-603, the mechanized version is under develop-

ment in all of our states that have the metric as

a requirement.   Generally speaking, if we have an

issue that's of the state metric and same

definition, the issue might occur in more than

one state at once.

There are some exceptions where we

might have some different systems between the old

former Bell Atlantic and the old former NYNEX

jurisdictions, but basically the issues are the

same.

Q   So even after the months of

experience in implementing the New York metrics,

you still have problems implementing the New

Jersey metrics.   Is that right?

A   (Canny)   The metrics process is a

very complex and detailed process that has gone

metrics cannot be reliable because the data is

incorrect.   Isn't that true?

        A   DeVito: On some of them they're

incorrect, on some of them they may not be

incorrect, and on others, we listed there are

process improvement changes, so therefore the

data is not incorrect.

        Q   Isn't that part of the problem,

you say these aren't material changes here, but

we have no way of knowing if it's material for

those months because you haven't gone back and

reissued those reports for those months?

        A   DeVito: We have not gone back and

reissued them, but - -

        Q   But you're confident in stating

those are not material changes even though we

have no idea what the data would actually show?

        A   DeVito: Yes, I am confident in

saying that based on my experiences with these

reports, and these numbers.   They don't generally

make a difference in the final result.

        Q   So if all of these errors

basically don't make a difference in the final

result, why are you correcting them then?

2   A   DeVito: That's a good question.

3   No, because we want them as

4 accurate as humanly possible.   I'm not saying

5 they're not materially significant in the final

6 result.

7   Q   But you've not done any analysis,

8 have you done any analysis - -

9   MR. COHEN: I would ask the

10   President to please allow the witness to

11   answer the question.

12   MR. PAPPALARDO: Go ahead.

13   I'm sorry to interrupt you.

14   A   (DeVito)   I think I lost my train

15 of thought.

16   Q   Can you provide me any written

17 analysis that has been conducted showing that

18 these data corrections would not have a material

19 impact on Verizon's performance for those months?

20   A   DeVito: I can assess them by

21 reading many of these things about - - let me say

22 this.   On some of the ones that have been closed,

23 what I would do, I would look over the last few

24 months to see are we still in line with what the

25 reported results are, and in many cases, the

answer is yes.

In many cases, it may be we added two orders to a base of 50,000. Is that materially significant? I don't think so.

Q   So let me see if I have this correct.

Verizon can revise these reports and reissue them, it did in February 2001, correct?

A   DeVito: Correct.

Q   But based on whatever analysis Verizon has done, it has determined not to reissue those reports and take it on faith that any changes and corrections are not material.

Is that correct?

A   DeVito: Could you repeat your statement.

Q   Well, Verizon has not reissued any of these reports for these sub-metrics for those months that were impacted. Is that correct?

A   DeVito: That's correct.

Q   So you are telling us here today, without any analysis before us, without any new performance report, just take it on faith that if

they were corrected, Verizon's performance would

not be materially different in the new reports as

it was in the incorrect reports.

               Isn't that correct?

A   DeVito: That's correct.

Q   Now, Verizon has a policy of not revising past reports, correct?

A   DeVito: We generally do not refile past reports.

It's a very complex process.

Q   You state in your reply declaration at note 3, page 5, that the Board has not established requirement for refiling of reports.

Do you see that?

A   DeVito: Yes.

Q   Is it possible that the reason a policy was not established for refiling of reports is because they're supposed to be accurate when they're issued?

MR. COHEN: Objection, Your Honor. Same question, asking for speculation as to the Board's intent behind it's own Order.

PRESIDENT HUGHES: I agree.

Q   Well, if reports are going to be inaccurate at the time of issue, shouldn't there be a policy to go back and correct them?

A   Canny: I don't think that one's

necessary. If a CLEC sees an issue, there's a

process, they get raw data files of looking at

their own data.

If there's a question, we can

certainly address it through the process that we

established. I think there's a number of

vehicles for addressing it. I don't necessarily

think that it's necessary to refile a whole

report.

Q   Well, even on just the CLEC side

of the data, which is only one-half of the

performance reports, I cannot go out and

replicate WorldCom's data, can I?

A   Canny: Nor should you.

Q   So only Verizon has all the CLEC

aggregate data that would have to be correct,

correct?

A   Canny: No, but you would be

looking at your reports.

Q   That wasn't my question.

Only Verizon has all of the CLEC

aggregate data that might need to be corrected?

A   Canny: That's correct.

Q   Now, let's just take a

Q   Incomplete would be - -

A   DeVito: The report was literally
just forgotten to be put in the pack to be
delivered.

Q   So notwithstanding the July
report, which was missing one of the pieces, the
only reports that have been refiled were the June
through October 2000, the January 2001, and the
February 2001.

Is that correct?

A   DeVito: That's correct.

Q   Those were all refiled based on
corrections that were made to the data?

A   DeVito: That's correct.

Q   Can you explain to me what
standard Verizon uses to determine whether they
will refile a report with the Board or not?

A   Canny: We generally don't refile.
In these circumstances, I believe my
understanding is that KPMG had identified some
mapping issues. What mapping issues are is
almost like a typo, but it's a computer making
it.

The wrong data went on the wrong

line or the wrong file got put in the wrong line.

So there were a number of those identified by

KPMG, so we refiled those reports.

Q   Is that the case for all of the

reports that were refiled?

A   DeVito: That's the case for the

June through October; however, the January 2001,

as I previously stated, the permutation test took

extra time to run that particular month, so it

delayed the completion of the report.

So we filed as much as we could

without the few metrics where that test is

required, and then in February of 2001, as I

said, we refiled them because some provisioning

results were inaccurate and we wanted to correct

them.

Q   So is it fair to say that Verizon

would not refile any of their performance reports

based on any changes in the issues log or the

change management notices?

MR. COHEN: That calls for specu-

lation, President Hughes.

"Has not" might be the question.

You said "would" didn't you, Lewanda?

MS. GILBERT: Yes, I phrased the

question as "would", based on the policy

that Ms. Canny just stated that normally

they would not.

I'm asking her based on that

policy does she believe that Verizon would

file any changes, any, rather, revisions

to the reports based on anything in the

issues log or change control notices,

that's what I'm basing it on.

MR. COHEN: Okay.

A   Canny: I'm not going to say we

would never refile because I think that there may

be circumstances where if we find something

material we may, but generally we don't.

A   DeVito: Could I just also, let me

just add to that.

Yesterday I looked at the three

change controls that we completed for the

September 2001 report. I itemized each and every

submetric that was impacted by the particular

change control.

I looked to see then was there a

difference in the August or September value and

did it change it by either a - - was it met in

August and then missed in September, the reverse.

When I did that, and you look at

all the measures that were involved, there were

90 of those submeasures, such as OR-101, OR-102,

involved a total 90 for the three change

controls, and then when I look at those 90, 76 of

those had no change at all as to whether it was

missed originally or met originally.

Seven of them had changed from

August to September, and it changed it from a met

to a miss, and 7 changed it the reverse way, from

a miss to a met.

So the accuracy of the reports is

very, very good. The changes on the issues that

we're doing are really very tiny, minute things

at this point to get them as accurate as

possible.

Q   Now, the description you just gave

us of the information you looked at, is that the

type of analysis you would be doing to determine

whether Verizon would refile a report?

A   DeVito: Not typically. I did

that because I wanted to see if there was a

it for?

A   Greaves: Yes, I think it was February through October.

A   Blockus: Of 2000.

Q   Of 2000?

A   Greaves: Of 2000, yes.

Q   Wait a second. So we're getting our years correct now, February of 2000 to October 2000 or October 2000 to February 2001?

A   Greaves: October to February.

Q   Okay.

A   Greaves: Yes.

Panel - cross   1022

Q   Because I don't think the reports were actually required to be provided in February.

A   Greaves: Yes, it's October to February.

Q   Now, are you aware that in terms of retail analogs, Verizon has stated that for at least one metric, PO105, it doesn't use the appropriate retail analog, and that deals with address validation, telephone number reservation?

A   Sears: No, I'm not aware of that.

Q   That was not something that arose during

the course of the test?

A   Sears: I don't believe so.

Q   For that submetric or any other
submetrics, you didn't go back and look whether or not it
was the appropriate retail analog because that was not
part of the test, right?

A   Sears: We looked at a lot of the retail
analogs, so, for example, on UNE loops there are retail
analogs. It's kind of hard to argue. There are
appropriate retail analogs for UNE loops, but it was not
a structured element of the test to look at the retail
analog

Panel - cross   1023
that was chosen and comparing it to the wholesale
standard or metric.

Q   Now, in reviewing the metrics data, did
you just review the CLEC aggregate reports as opposed to
the CLEC specific reports?

A   Sears: No, we reviewed the CLEC
aggregate report and we reviewed the CLEC report foro the
KPMG CLEC.

Q   Now, there were a number of observations
that were addressed that were resolved in connection with

provided data from it's first appearance in the
collection system.

So the point where that data could be
used and manipulated, because they are huge volumes of
data to actually calculate the metrics is where that
would take place.

Q   And did you review whether the correct
retail analog data was being collected, or did you just
assume that it was?

A   Sears: We did not test - - there was
not a test od what I would call appropriateness. I mean
in a lot of these cases, if we saw a situation where it
looked like the retail analog wasn't remotely comparable
to the wholesale analog, you would have noted that and
challenged that.

But, there is not a test point in

Panel - cross   1017
the Master Test Plan that discusses on a point by point
basis to evaluate the appropriateness of the retail
analog compared to the wholesale analog.

A   King: But if a retail analog was
defined in the carrier to carrier guidelines as being the
one that should be used, our test did determine to make

ATTACHMENT 2

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January 29, 2001

By Hand

Frances L. Smith
Secretary
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102

> Re: Verizon NJ Performance Reports
>   Docket No. TX98010010

Dear Secretary Smith:

Enclosed are the original and ten copies of an updated list of issues associated with submetrics, and the status of efforts to resolve them. The updated list is also being provided to parties on the service list.

Please contact me at 973-649-2806 if you have any questions.

Very truly yours,

Enclosures

cc: TSFT Service List (with enclosures)
    Anthony Centrella
    James Corcoran

Metric #	Product	Service	Report (1)	Issue	"Report Months" Affected to Date	Expected "Report Month" Delivery	Related KPMG Exceptions/ Observations
OSS							
Pre-Order							
PO-2-01,-02 &-03	CORBA		Aggregate	The wrong files were used to populate September and October.	September & October	November	
PO-2-01,-02 &-03	EB		Aggregate	June through August, the performance was correctly reported but the "observations" reported were "hours of operation" and should have been "hours of downtime." In September, the observations were correct but the wrong file was used for performance. In October, both the performance and observations were properly reported.	June - September	October	
PO-3-03 & 3-04			Aggregate	Both June and July were missing NJ calls that were answered in the Richmond, Virg. Call Center. August forward captures all calls.	June- July	August	
PO-4-01, 02 & 03				Erroneously reported separately when the metric should be combined for notices, ocnfirmations and types 1-5.	June - December	January	
PO-7-01, 02 & 03			Aggregate	The metric is populated as system updates occur. November report should have reflected a system update. This issue has been resolved going forward.	November	At Next System Release	
BILLING							
BI--02			KPMG report and CLEC Specific reports	This metric is incorrectly numbered on the November KPMG report. It should read "BI 3-03."	November	December	O-74
BI-1 All			CLEC Specific	CLEC Specific template for billing was reformatted to breakout "Total" into the following categories: "Resale," "UNE," and "Total" for all of the billing metrics.	November-December	January	O-74
Maintenance & Repair							
MR-1-01 to 1-06		OSS		Provider excluded certain "hours of operation and holidays" which are not supported by the guidelines.	June - December	January	
MR-1-01, 02, 03 04 & 06	EB	OSS		Rounding error introduced by the way 'C' Language Code handles time calculation. Modified method to calculate time.	June - November	December	
MR-2-05	Specials	UNE		Incorrect data.	November	December	
MR 2-05	2-Wire Digital	UNE	State and GEOs	Mapping error.	June - November	December	
MR 2-01, 4-01, 4-04 through 4-08 and MR 5-01.		Trunks		Results erroneously included test data.	June - November	December	
MR 2, 3,4 & 5	POTS	Resale & Retail		POTS values erroneously included POTS/Complex combined.	June - December	January	
MR 2-02 & 2-05	Platform	UNE		Mapping error	June-November	December	
MR 2-03	CO Platform & CO Loop	UNE		Mapping error	June-November	December	
MR 2-04	Platform	UNE		Mapping missing denominator	June-October	November	
MR 2-05	2 Wire Dig	UNE		CLEC values not mapped.	August - October	November	
MR 4-01, 02, 03, 04	2 Wire xDSL	UNE		Incorrectly captured troubles cleared the same day.	June - December	January	
MR 4-04		Resale, Retail, UNE		Result calculated by NORD provides troubles cleared "<" 24 hours; should be "<=" 24 hours.	June-December	January	
Operator Services & Databases							
OD 3-01 & 3-02				CLEC sampling data does not exclude test accounts	June - December	January	
Ordering							

1

VERIZON
NEWLY IDENTIFIED METRIC ISSUES
INFORMATION AS OF 1/26/01

Metric #	Product	Service	Report (1)	Issue	"Report Months" Affected to Date	Expected "Report Month" Delivery	Related KPMG Exceptions/ Observations
OR 1-13		Trunks		Calculation includes ">" 192 trunks and should only include "<=192" trunks.	June - November	December	
OR 1-19		Trunks		Modify language describing standard to match guidelines.	June - December	January	
OR 7-01		Resale and UNE		Data disaggregation for this metric is not available as described in guidelines. VZ currently reports results for Resale and UNE that encompass more than POTs.	June - December	Modification of Guidelines Required	
Provisioning							
PR-4-01, 4-02, 4-03, 4-09	EEL	Retail		Incorrectly reported Retail trunks instead of Retail Specials.	June-December	January	
PR -2-05	POTS Platform	UNE		PR 2-05 was incorrectly linked/mapped to PR 2-04	June - October	November	
PR 4-14 to 4-17	xDSL	UNE		Erroneously included ISDN service orders.	June - December	January	
PR 6-01 to 6-03	POTS			2 Wire Digital and 2 Wire DSL erroneously included in the numerator.	August - December	January	
PR 6-03		Trunks		Incorrectly mapped	June- November	December	
PR 9-02, 9-04, 9-06	Hot Cuts			Incorrect data reported.	October	November	
Network Performance							
NP-1		Trunks	Aggregate	Mapping error.	August	September	
NP-1		Trunks	CLEC Specific	Some of the CLEC Specific reports were reported as "NA" when they should have been "0".	June-September & November	December	

2

Metric #	Product	Service	Report (1)	Issue	"Report Months" Affected to Date	Expected "Report Month" Delivery	Related KPMG Exceptions/ Observations
OSS							
Pre-Order							
PO 1-04(PSA)		Resale, UNE		Change Control Request to change the retail PSA transaction to retrieve the same data as the wholesale PSA transactions	June- December	January	
BILLING							
Ordering							
OR 1-03 through OR 1-10 OR 2-03 through OR 2-10 &				Duplicate transactions may be included in the data for a very low volume of UNE ASR Specials. System solution under review.	June 00 - February 01	March	
Provisioning							
PR-1, PR-2 PR-3				Weekends and Holidays to be excluded from Provisioning intervals	June-January	February	
PR-8-01 PR-8-02	2 wire dig, EEL,IOF, POTS-Tot, Spec, TRUNKS, xDSL			Results erroneously include miscoded orders and CLEC delay days.	July - November	March	
Maintenance & Repair							
MR-1	WEB GUI			Case Worker Issue: Back-up data for November and first week of December lost due to system error. Reported metrics will not be able to be replicated.	November-December	January	
MR 2-02, MR 2-03, MR2-04, MR2-05	UNE Platform, 2 Wire Digital, 2WirexDSL	Resale, Retail, UNE		Data calculation correction to provide additional POTs line count product breakdown	June-December	January	
MR-4-01		Trunks		Performance data reported correctly. Z score was not calculated because the sampling error data was not included.	June- February 01	March	E-7

Metric #	Product	Service	Report (1)	Issue	"Report Months" Affected to Date	Expected "Report Month" Delivery	Related KPMG Exceptions/ Observations
OSS							
Pre-Order							
PO-1-05		Resale, UNE		EnView EDI system data underreported	June-September	October	
PO-1-06	CORBA			Reported production results rather than EnView -- cannot recapture June or July	June - July	August	
	EDI			Reported production results rather than EnView -- cannot recapture June or July	June - July	August	
	WEB GUI	Retail		Retail data UD -- cannot recapture June or July	June - July	August	
PO-1-07	CORBA			Reported production results rather than EnView -- cannot recapture June or July	June - July	August	
PO-1-09	CORBA			Reported production results rather than EnView -- cannot recapture June or July	June - July	August	
PO-1-10	CORBA			Reported production results rather than EnView -- cannot recapture June or July	June - July	August	
	EDI			Reported production results rather than EnView -- cannot recapture June or July	June - July	August	
	WEB GUI			Reported production results rather than EnView -- cannot recapture June or July	June - July	August	
PO-2	WebGui			Utilized incorrect hours of operation	June-November	December	E-7
PO-2-01	WEB GUI	Resale, Retail, UNE, Trunks		Utilized BA-South maintenance data instead of NJ data. The June data can not be recovered.	June	July	E-7
PO-2-01	WEB GUI	Resale, Retail, UNE, trunks		Data collected based on scheduled hours instead of downtime hours.	June-September	October	
PO-2-01	EB			Revised report issued after the report was submitted	October	November	
PO-2-02	EDI and WEB GUI	Resale, Retail, UNE, Trunks		Utilized BA-South pre-order data instead of NJ data. The June data can not be recovered.	June	July	
PO-2-02 PO-2-03	WEB GUI	Resale, Retail, UNE, Trunks		BA-South maintenance data instead of NJ data. The June data can not be recovered.	June	July	
				Data collected based on scheduled hours instead of downtime hours.	June-September	October	
				Utilized incorrect scheduled availability for WEB GUI maintenance for prime and non-prime.	June-September	October	
PO-3-02 PO 3-04				Reported for 30 sec. instead of 20 sec. -- cannot recapture June but was corrected in July	June	July	
PO-4-01, PO-4-02 & PO-4-03				Excluded confirmations. Confirmations were added to October template separate from notices. Clarification on this metric indicates that there should not be two separate categories, but one combined category.	June-October	November	O-41

4